



Date: September 10, 2008
To: City Manager for Council Action
From: John C. Roukema, Director of Electric Utility
Subject: Approval of a Grazing Lease with Schene Enterprises, Inc., for a Portion of the Property Known as the Benicia Ranch, Solano County, California

EXECUTIVE SUMMARY:

The Lopes Ranch (Benicia remote property) was purchased with the intent of installing Wind Energy Conversion Systems (WECS) in order to produce electrical energy for the City's Electric Utility. This site was chosen because of its very good wind regime, meaning plenty of wind for long periods of time. At the time the land was purchased it was decided to lease out the grazing rights of the property to produce income while staff determined the best wind generators to install at this site. These leases paid for the taxes incurred from owning the land and helped pay for the maintenance of the property. For the past ten years the grazing land has been leased to Schene Enterprises, Inc.

The Schene Enterprises, Inc. grazing lease has expired and staff would like to enter into a new grazing lease agreement with Schene Enterprises, Inc. This agreement would benefit the City by leasing the land to Schene Enterprises, Inc., for cattle grazing. City staff has worked very well with Schene Enterprises, Inc., for the last five years and it should be acknowledged that the land management and utilization techniques for cattle grazing are outstanding, and that the ranch land has improved over the term of the lease. A copy of the Grazing Lease is available for review in the Council offices.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Renewing this lease would eliminate the time, money and resources spent to advertise for a new Lessee and to the property would remain in the care of a respected rancher who works well with the management staff of the remote properties.

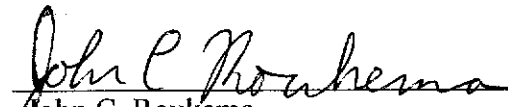
ECONOMIC/FISCAL IMPACT:

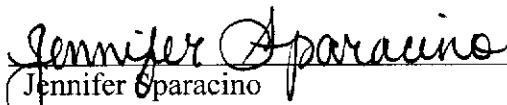
City rental revenue will be \$44,500.00 per annum. No City funding is required.

RECOMMENDATION:

That Council approve, and authorize the City Manager to execute, the Grazing Lease with Schene Enterprises, Inc., for a portion of the Property known as the Benicia Ranch, Solano County, California.

APPROVED:


John C. Roukema
Director of Electric Utility


Jennifer Sparacino
City Manager

Documents Related to this Report:

- 1) *Grazing Lease with Schene Enterprises, Inc.*

CITY OF SANTA CLARA
AGENDA MATERIAL ROUTE SHEET

Council Date: September 16, 2008

SUBJECT: Approval of a Grazing Lease with Schene Enterprises, Inc., for a Portion of the Property Known as the Benicia Ranch, Solano County, California

CERTIFICATION

The proposed Grazing Lease with Schene Enterprises, Inc.

Regarding: Lease of a Portion of the Property Known as the Benicia Rancho, Solano County, California
has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published ____ time(s) at least ____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 2008.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:

Title _____ U.S.C. § _____
(Titles run 1 through 50)

California Codes:

Code _____ § _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:

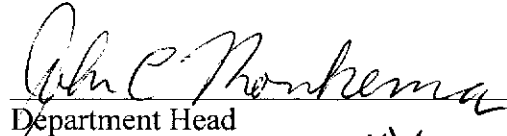
Title _____ C.F.R. § _____
(Titles run 1 through 50)

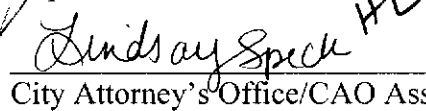
California Regulations:

Title _____ California Code of Regulations § _____
(Titles run 1 through 28)

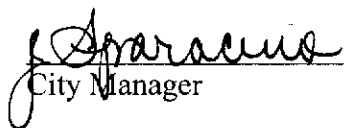
City
City Charter § _____ (i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)
City Code § _____

1. As to City Functions, by
2. As to Legality, by
3. As to Environmental
Impact Requirements, by
4. As to Substance, by


Department Head

 HL
City Attorney's Office/CAO Assignment No. 08. 1288

Director of Planning and Inspection


City Manager